

New Hampshire Board of Accountancy  
Minutes from the Public Session  
Held  
**February 12, 2007**  
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Present: Professor Richard Hanson, CPA, Chairman, Jefferson Chickering, CPA Secretary, Deborah Butler, CPA, Wayne Geher, CPA, Sheila Christie, Esquire, Public Member and Owen Walton, Public Accountant.

1. **The February 12, 2007 public meeting convened at 8:38 and adjourned at 11:10 am. The non public session convened at 11:15 am and adjourned at 12:05 pm.**
2. **The minutes from the January 22, 2007 Board meeting were accepted with minor changes.**
3. **The New Hampshire Society of Certified Public Accountants was represented by Harold Williams, CPA.**
4. **The following Newsletters were reviewed.**

**A. NASBA's State Board Report January 2007**

Articles of interest on page one that were discussed are as follows:

1. The Board noted that on page one of the report, NASBA is looking for a Vice Chair. The Board had received notification of that request for nomination. The Board nominated Richard Isserman and if Mr. Isserman does not wish this position then the Board nominates Robert Fox. Both of these gentlemen have been Northeast Directors for NASBA.

2. An article on the proposed revisions to the Uniform Accountancy Act Model Rules and the Uniform Accountancy Act (UAA) were discussed. The most controversial change occurs in Section 23 of the UAA. The proposed changes in Section 23 would eliminate the need for licensees from substantially equivalent states to notify other state boards when seeking to practice across state lines. The Chair of the Board requested that the Executive Director contact contiguous states regarding Section 23 to ascertain if they will adopt Section 23 or any variation thereof.

Articles of interest on page two that were discussed are as follows:

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**4. A. Continued**

1. KPMG: The US Federal Government dismissed the deferred criminal charge against KPMG for conspiring to defraud the US government and the IRS due to the improper sales of tax shelters if KPMG admitted to the charge. The firm was ordered to pay a \$456 million dollar fine. However, this fine does not cover the lost tax revenue from the improper tax shelters. The Board does not feel charging the 16 former executives who stand accused of conspiracy and tax evasion is enough. They are worried about the message this sends to the profession. The Board will continue to monitor this case. If the Board finds that any CPA's licensed or registered to do business in New Hampshire are convicted, they will be prepare to take proper action.

**B. North Carolina State Board Report No. 01-2007**

It was noted and discussed that on page one, North Carolina has established a Public Campaign Fund to support a non-partisan court system. North Carolina's tax payers will chose whether or not to designate \$3.00 to said fund.

**C. South Dakota**

It was noted and briefly discussed that South Dakota (SD) recognized SD's top examination candidates and the schools they were attended.

It was further noted that licensees and firms in SD were reminded to notify the Board in case of any changes in address, employment or any other changes that could affect their licensure within 30 days. Whereas this is a recurring problem with this Board, the Board will consider amending the rules to give licensees and firms 30 days to notify the Board of changes.

**5. General Correspondence From:**

**A. NASBA's Letter Dated January 23, 2007**

This letter addressed to the Board Chair requested feedback regarding the new examination committee. Professor Hanson requested this letter appear on the next agenda and that the Board respond to it.

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**B. NASBA Memorandum**

The following reports were reviewed

- >Highlights of the January 19, 2007 meeting of the Board of Directors; and
- >Minutes of the October 2006 Board of Directors' meeting; and
- >Executive Summary of the Focus Questions' Including responses from last quarter that were presented to the January BOD meeting; and
- >Regional Directors' focus Questions summary report from last quarter; and
- >Exposure Draft of Additions and Modifications to UAA Model Rules.

**C. NASBA Memorandum regarding Peer Review Standards**

NASBA has proposed changes to the Uniform Accountancy Rules regarding peer review standards. At this time any licensee that issues review reports may have an off site peer review. The proposed changes would require a licensee who offers any review reports would have to obtain a field study or on site peer review.

At the last Board meeting it was determined that if a peer reviewer from another state performed peer reviews for New Hampshire licensees, then that individual was practicing public accounting in the state. It was further determined that NH Board will not allow CPE credit for the performance of the review but will accept the AICPA formal program of learning, the peer reviewer is required to obtain, as CPE. This issue will remain on the agenda for future discussions.

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**6. Correspondence Requiring a Response**

- A.** An employer on behalf of his employee requested that the Board grant his employee an extension of the 18 month requirement to finish the CPA Exam, due to work related issues. The Board instructed the Executive Director to thank the employer for his interest in his employee; however, waivers of the statutory requirement are based on the candidates request not employers requests.

**7. Old and New Business**

**A. Liability Questions**

This was not discussed but Prof. Hanson requested it stay on the agenda in light of the "Global Markets and The Global Economy" article the Board will be discussing next month.

**B. Examination Issues and Site Visit**

The Executive Director continues to monitor all matters regarding the exam. The exam site visit to Concord will occur after tax season.

**C. Re-Writing of the Administrative Rules**

The Executive Director updated the Board on the progress of the rules. Interim rules have been filed. The rules committee met on January 18, 2007 and the interim rules were approved. The New Hampshire Board met and voted unanimously to adopt the interim rules as presented to the committee. The interim rules were officially adopted on January 25, 2007 and expire on July 25, 2007.

**D. Legislative Issues**

1) Administrative Law Judge: This initiative was proposed as an LSR (Legislative Service Request) this legislative session however, has been withdrawn at the moment due to too many bills in this session. However, it can still be introduced this session. The Executive Director has been successful in obtaining a draft of the proposed language. This draft will be included in the next Board agenda.

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D. Legislative Issues Continued

2) House Bill 170 had a public hearing on February 8, 2007 and it appears that the Executive Departments and Administration committee will vote against the bill. The Executive Director will follow the matter.

**E. AICPA Uniform Accountancy Act (UAA) Section 23**

The Board discussed the proposed changes in the UAA Section 23. Prof. Hanson submitted an article from "The Journal of Accountancy" entitled "Substantial Equivalency". This article will be in next months Board agenda. This subject will be discussed at the March 2007 Board meeting and any decisions the Board makes at that meeting or at future meetings will be reflected in the administrative rules.

Prof. Hanson brought up the fact that New Hampshire is one of few states that does not have the 150 hour education requirement recently an article was published in "Issues in Accounting Education" regarding the 150 hour education requirement. Prof Hanson requested that this article be placed on the March agenda.

**F. IQEX & IQAB**

The Board briefly discussed the role of the International Qualification Appraisal Board and the International Qualifying Exam.

**G. Future Board Meetings**

The following is the schedule for upcoming meetings

March 19, 2007 at 8:30 am  
April 23, 2007 at 8:30 am  
May 21, 2007 at 8:30 am

**H. Discussions on Topics of Interest:**

**1. Newsletter**

On hold.

**2. Ethics**

No discussion was held.

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**3. Audits**

The audits of the 2006 licensees who submitted CPE were randomly chosen at the December meeting and notifications to the individuals chosen have gone out and responses are being received

**4. Outsourcing**

The Board will discuss at future meetings. The decision will be made on how notification of outsourcing will take place, whether verbal or in writing.

**5. Experience in Consulting, what qualifies?**

The Board did not hold a discussion on consulting experience. The Board will address this issue at future meetings.

**8. The following applications for certification were approved at the office of the Board on January 22, 2007.**

Sardor K. Alibaev	4153
Aditya Anand	4154
Tatiana Arefyeva	4155
Tarun Arora	4156
Marcel Bode	4157
Marilyn L. Chandler	4158
Sebastien Cuvelier	4159
Nashat Mustafa Rashid Helal	4160
Xiao Wen Haung	4161
Andres Isaac	4162
Joshua Jordan	4163
Ruth Ellen Kelly	4164
Olaf M. Kiel	4165
Maria Kozlova	4166
Ying Wai Lau	4167
Peimin Liu	4168
Cheh Ern Lui	4169
Michelle Lee McCarter	4170
Patrick A. Morin	4171
Shantell Shanique Munroe	4172
Mark David Passmore	4173
Marina Pukhovik	4174

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**8. Applications Continued**

Kerim Mumin Saatcioglu	4175
John Philip Sannella	4176
Ayeisha Solomon	4177
Sandra Steermann	4178
Donna M. Valinski	4179
Clemens Wasewitz	4180
Shubo Ye	4181
Ahmed Mustafa A. Al Dali	4182

9. Upon the motion of Wayne Geher and the second of Owen Walton, the Board, by roll call vote, resolved to conduct a non-public session for the purpose of discussing complaints of alleged licensee misconduct. This non-public meeting is authorized by RSA 91-A: 3,II (c), RSA 91-A: 3,II (e), RSA 91-A: 5, IV Lodge v. Knowlton, 118 N.H. 574 (1978) and the Board's executive and deliberative privileges. Each member recorded his or her vote on the motion, which passed by a unanimous roll call vote which is as follows:

Vote: Professor Richard Hanson, Yea, Jefferson Chickering, Yea, Deborah Butler, Yea, Wayne Geher, Yea, Owen Walton, Yea and Sheila Christie, Yea.

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- 10.** Upon the motion of Jefferson Chickering and the second of Deborah Butler the Board, by roll call vote, resolved to withhold the minutes of the preceding non-public session from public disclosure pursuant to RSA 91-A:3, III on the grounds that public disclosure would be likely to effect adversely the reputation of a person other than a board member and to render the proposed action ineffective. Each member recorded his or her vote on the motion, which passed by a unanimous roll vote of all members present which is recorded as follows:

Vote: Professor Richard Hanson, Yea, Jefferson Chickering, Yea, Deborah Butler, Yea, Wayne Geher, Yea, Owen Walton, Yea and Sheila Christie, Yea.

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Jefferson Chickering, Secretary and Certified  
Public Accountant